

Appendix 1

Example of Calculation of RR-SUN Price

SUN Series in Trade	SUN Price as in the BI-SSSS	Haircut	RR-SUN Price
(1)	(2)	(3)	(4) = (2) - (3)
FR000x	111.000000%	5%	106.000000%
FR000y	103.000000%	5%	98.000000%
VR000z	102.000000%	5%	97.000000%

Appendix 2**Example of SUN Reverse Repo Transactions
by Fixed Rate Tender Auction Method****Example 1. FRT - Specific Reverse Repo****Transaction Plan**

Indicative Target : Rp2 trillion
Auction Method : Fixed Rate at 9.00%
Type of Underlying Assets : SUN in the form of Treasury Bond (ON) of FR000x series of 2,000,000 units @ Rp1,000,000.00, with Price at 111.00%
Haircut : 5%
RR-SUN Price : $111\% - 5\% = 106\%$
Tenor : 28 days
Window time : 9.00 - 10.00 a.m. (western Indonesia standard time)
Settlement : T+1

Table 1. Illustration of RR-SUN bidding

(in millions of rupiah)

Bank	Bidding Quantity	Accumulated Bids	RR-Rate (%)	SUN			
				Series	Price (%)	Haircut (%)	RR-SUN Price (%)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Bank A	500,000	500,000	9.00	FR000x	111.00000	5	106.00000
Bank B	750,000	1,250,000	9.00	FR000x	111.00000	5	106.00000
Bank C	600,000	1,850,000	9.00	FR000x	111.00000	5	106.00000
Bank D	300,000	2,150,000	9.00	FR000x	111.00000	5	106.00000
Bank E	200,000	2,350,000	9.00	FR000x	111.00000	5	106.00000
Bank F	500,000	2,850,000	9.00	FR000x	111.00000	5	106.00000

Determination of RR-SUN Auction Winner

Quantity to be taken : Rp2 trillion of total incoming bids (Rp2.85 trillion)
Auction winner : All Banks with calculation of quantity on proportional basis

Table 2. Calculation of RR-SUN auction result quantity and settlement (first leg)

(in millions of rupiah)

Bank Winning Auction	Quantity won ¹⁾	Accumulation	RR-Rate (%)	Securities Settlement			Fund Settlement	
				Series	RR-SUN Price (%)	Nominal Value ²⁾	Accrued Interest	First Leg Fund Settlement ³⁾
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9) = {(6) x (7)} + (8)
Bank A	350,877	350,877	9.00	FR000x	106.00000	350,877	1,316	373,246
Bank B	526,316	877,193	9.00	FR000x	106.00000	526,316	1,974	559,869

Bank C ...

Appendix to Bank Indonesia Circular Letter No. 10/37/DPM dated November 13, 2008

Bank C	421,053	1,298,246	9.00	FR000x	106.00000	421,053	1,579	447,895
Bank D	210,526	1,508,772	9.00	FR000x	106.00000	210,526	789	223,947
Bank E	140,351	1,649,123	9.00	FR000x	106.00000	140,351	526	149,298
Bank F	350,877	2,000,000	9.00	FR000x	106.00000	350,877	1,316	373,246

Notes

- 1) Quantity won by each Bank shall be calculated on proportional basis with a smallest rounding of Rp1 million.

Example of calculation for Bank A :

$$= \frac{\text{Bidding Quantity (Rp500,000million)}}{\text{Total Bids (Rp2,850,000 million)}} \times \text{Received Quantity (Rp2 trillion)} = \text{Rp350,877million}$$

- 2) Nominal value is the SUN face value to be credited to Securities account of Bank.
 3) First leg fund settlement is the SUN purchasing value by reverse repo to be debited from demand deposit of Bank.

Table 3. If there is coupon payment within RR-SUN transaction tenor

Assumption :

- Transaction tenor of RR-SUN series FR000x as referred to in Table 2 is from January 1 up to 29 (28 days); and
- On January 20 (within the reverse repo period) there is a coupon payment for 2,000,000 units of FR000x series which are under transaction amounting to Rp15 billion. The coupon value shall be calculated for each Bank winning auction on proportional basis by quantity of SUN won.

The calculation of coupon and RR-Rate value to be accepted by Bank winning auction is as follows.

(in millions of rupiah)

Bank	RR-SUN Nomina l Value	Proportional charge on coupon ¹⁾		Calculation of RR-SUN Fund Value		RR- Rate (%)	Calculation of RR-Rate Value ³⁾		
		%	Rupiah	Before coupon (Jan 1- 20)	After coupon ²⁾ (Jan 20- 29)		Before coupon (Jan 1- 20)	After coupon ²⁾ (Jan 20- 29)	Total
(1)	(2)	(3)	(4)	(5)	(6) = (5) - (4)	(7)	(8)	(9)	(10)
Bank A	350,877	17.54	2,632	373,246	370,614	9.00	1,723	834	2,607
Bank B	526,316	26.32	3,947	559,869	555,921	9.00	2,584	1,251	3,910
Bank C	421,053	21.05	3,158	447,895	444,737	9.00	2,068	1,001	3,128
Bank D	210,526	10.53	1,579	223,947	222,368	9.00	1,034	500	1,564
Bank E	140,351	7.02	1,053	149,298	148,245	9.00	689	334	1,043
Bank F	350,877	17.54	2,632	373,246	370,614	9.00	1,723	834	2,607

Notes ...

Notes

- 1) The coupon value of all FR000x units amounts to Rp15 billion, calculated on proportional basis (column 3 and column 4) for each Bank winning auction by quantity of SUN won by Bank (column 2).

Example for Bank A :

$$= \frac{\text{Nominal Value of SUN won by Bank A (Rp350,877 million)}}{\text{Nominal Value of SUN of FR000x series under transaction (Rp2 million)}} \times 100\% = 17.54\%$$

$$17.54\% \times \text{Rp15,000 million} = \text{Rp2,632 million.}$$

- 2) RR-SUN fund value is the value of Bank placement in Bank Indonesia which is made as the basis of calculation of RR-Rate (before and after coupon payment).
- 3) RR-Rate value shall be calculated with the following formula.

$$\text{RR - Rate Value} = (\text{RR - SUN Fund Value} \times \text{RR - Rate}) \times \frac{\text{RR - SUN Maturity}}{360}$$

The calculation of RR-Rate value accepted by Bank is divided into two as follows.

- Period of January 1-20 (19 days), based on RR-SUN fund value before taking into account of the coupon (first leg fund settlement value).
- Period of January 20-29 (9 days), based on RR-SUN fund value after taking into account of the coupon.

Table 4. Settlement of mature RR-SUN (second leg)

The final calculation of fund and Securities settlement on mature RR-SUN transaction is as follows.

(in millions of rupiah)

Bank	Securities Settlement Value (second leg) ¹⁾	Series of SUN won	First Leg Fund Settlement after deducted by coupon	Total RR-Rate Value	Fund Settlement (second leg) ²⁾
(1)	(2)	(3)	(4)	(5)	(6) = (4)+(5)
Bank A	350,877	FR000x	370,614	2,607	373,221
Bank B	526,316	FR000x	555,921	3,910	559,832
Bank C	421,053	FR000x	444,737	3,128	447,865
Bank D	210,526	FR000x	222,368	1,564	223,932
Bank E	140,351	FR000x	148,245	1,043	149,288
Bank F	350,877	FR000x	370,614	2,607	373,221

Notes

- 1) Securities settlement value is the Securities face value which has to be provided by Bank for RR-SUN second leg transaction by its series in column (3).

2) Fund ...

- 2) Fund settlement value is the RR-SUN selling back value which shall be credited to Bank in redemption of mature RR-SUN transaction.

Example 2. FRT - General Reverse Repo

Transaction Plan

Indicative Target : Rp2 trillion

Auction Method : Fixed Rate at 9.00%

Type of Underlying Assets : SUN in the form of ON itemized as follows.

(in millions of rupiah)

No	Series	Face Value	Price	Accrued Interest
1.	FR000x	1,000,000	111.000000%	5,500
2.	FR000y	500,000	103.000000%	2,750
3.	VR000z	750,000	102.000000%	4,100

Haircut : 5%

Tenor : 28 days

Window time : 9.00 - 10.00 a.m. (western Indonesia standard time)

Settlement : T+1

Table 1. Illustration of RR-SUN bidding and auction winner

(in millions of rupiah)

Bank	Bidding Quantity	Accumulated Bids	RR-Rate (%)	Haircut (%)	Total Quantity won ¹⁾
(1)	(2)	(3)	(4)	(5)	(6)
Bank A	500,000	500,000	9.00	5	500,000
Bank B	750,000	1,250,000	9.00	5	750,000
Bank C	600,000	1,850,000	9.00	5	600,000
Bank D	300,000	2,150,000	9.00	5	150,000
Bank E	200,000	2,350,000	9.00	5	-
Bank F	500,000	2,850,000	9.00	5	-

Determination of RR-SUN auction winner

Quantity to be taken : Rp2 trillion of total incoming bids (Rp2.85 trillion)

The winner shall be determined by Bank Indonesia based, among other things, on the time of bidding by Bank.

Table 2. ...

Table 2. Calculation of RR-SUN auction result quantity and settlement (first leg)

(in millions of rupiah)

Bank Winning Auction	Quantity won ¹⁾	Accumulation	RR- Rate (%)	Securities Settlement			Fund Settlement	
				Series	RR-SUN Price (%)	Nominal Value ²⁾	Accrued Interest	First Leg Fund Settlement ³⁾
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)={ (6)×(7) } + (8)
Bank A	500,000	500,000	9.00	FR000x	106.00000	500,000	2,750	532,750
Bank B	500,000	1,000,000	9.00	FR000x	106.00000	500,000	2,750	532,750
Bank B	250,000	1,250,000	9.00	FR000y	106.00000	250,000	1,375	266,375
Bank C	250,000	1,500,000	9.00	FR000y	98.00000	250,000	1,375	246,375
Bank C	350,000	1,850,000	9.00	VR000x	98.00000	350,000	1,913	344,913
Bank D	150,000	2,000,000	9.00	VR000x	97.00000	150,000	820	146,320
Bank E	-	-	-	-	-	-	-	-
Bank F	-	-	-	-	-	-	-	-

Notes

- 1) The quantity and allocation of SUN series won by each Bank shall be determined based on bidding time order (first come first served). Auction participants shall obtain allocation of SUN based on Securities maturity order (the shorter first).

Example for Bank B :

RR-SUN of FR000x series are bid at 1,000,000 units and have been won by Bank A of 500,000 units, remainder of 500,000 units. Bank B wins RR-SUN auction of 750,000 units comprising 2 (two) series, namely FR000x series of 500,000 units and FR000y series of 250,000 units.

- 2) Nominal value is the SUN face value which will be credited to Securities account of Bank.
- 3) First leg fund settlement is the value of SUN buying by reverse repo which will be debited from demand deposit account of Bank.

Table 3. Settlement of mature RR-SUN (second leg)

The final calculation of fund and Securities settlement on mature RR-SUN transaction is as follows.

(in millions of rupiah)

Bank	SUN Series	First Leg Fund Settlement	Coupon ³⁾	First Leg Fund Settlement after deducted by coupon	RR- Rate	Securities Face Value ¹⁾	Total RR- Rate Value ³⁾	Second Leg Fund Settlement
(1)	(2)	(3)	(4)	(5)=(3) – (4)	(6)	(7)	(8)	(9)=(5)+(8)
Bank A	FR000x	532,750	0	532,750	9.00	500,000	3,729	536,479
Bank B	FR000x	532,750	0	532,750	9.00	500,000	3,729	536,479

Bank B ...

Appendix to Bank Indonesia Circular Letter No. 10/37/DPM dated November 13, 2008

Bank B	FR000y	266,375	0	266,375	9.00	250,000	1,865	268,240
Bank C	FR000y	246,375	0	246,375	9.00	250,000	1,725	248,100
Bank C	VR000x	344,913	0	344,913	9.00	350,000	2,414	347,328
Bank D	VR000x	146,320	0	146,320	9.00	150,000	1,024	147,344
Bank E	-	-	-	-	-	-	-	-
Bank F	-	-	-	-	-	-	-	-

Notes

- 1) The second leg fund settlement is the RR-SUN selling back value which will be credited to Bank in redemption of mature RR-SUN transaction.
- 2) Total RR-Rate value shall be calculated with the following formula.
$$\text{RR - Rate Value} = (\text{RR Fund Value} - \text{SUN} \times \text{RR-Rate}) \times \frac{\text{RR - SUN Maturity}}{360}$$
- 3) It is assumed that there is no coupon payment of SUN traded in RR-SUN and so the calculation of the RR-Rate value accepted by Bank is totally based on the first leg fund settlement value.

Appendix 3**Example of SUN Reverse Repo Transactions
by Variable Rate Tender Auction Method****Example 1. VRT - Specific Reverse Repo****Transaction Plan**

Indicative Target : Rp2 trillion
 Auction Method : Variable Rate
 Type of Underlying Assets : SUN in the form of ON of FR000x series of 2,000,000 units @ Rp1,000,000.00 and Price of 111.000000%
 Haircut : 5%
 Tenor : 28 days
 Window time : 9.00 - 10.00 a.m. (western Indonesia standard time)
 Settlement : T+1

Table 1. Illustration of RR-SUN bidding

(in millions of rupiah)

Bank	Bidding Quantity	Accumulated Bids	RR-Rate (%)	SUN			
				Series	Price (%)	Haircut (%)	RR-SUN Price (%)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Bank A	500,000	500,000	8.97	FR000x	111.000000	5	106.000000
Bank B	750,000	1,250,000	8.98	FR000x	111.000000	5	106.000000
Bank C	600,000	1,850,000	9.00	FR000x	111.000000	5	106.000000
Bank D	300,000	2,150,000	9.00	FR000x	111.000000	5	106.000000
Bank E	200,000	2,350,000	9.00	FR000x	111.000000	5	106.000000
Bank F	500,000	2,850,000	9.05	FR000x	111.000000	5	106.000000

Notes

Total incoming bids for RR-SUN auction amounts to Rp2.85 trillion

Table 2. Calculation of RR-SUN auction result quantity and settlement (first leg)

(in millions of rupiah)

Bank Winning Auction	Quantity won ¹⁾	Accumulation	RR-Rate (%)	Securities Settlement			Fund Settlement	
				Series	RR-SUN Price (%)	Nominal Value ²⁾	Accrued Interest	First Leg Fund Settlement ³⁾
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9) = {(2) x (6)} + (8)
Bank A	500,000	500,000	8.97	VR000x	106.000000	500,000	1,875	531,875
Bank B	750,000	1,250,000	8.98	VR000x	106.000000	750,000	2,813	797,813
Bank C	409,091	1,659,091	9.00	VR000x	106.000000	409,091	1,534	435,170
Bank D	204,545	1,863,636	9.00	VR000x	106.000000	204,545	767	217,585

Bank E ...

Appendix to Bank Indonesia Circular Letter No. 10/37/DPM dated November 13, 2008

Bank E	136,364	2,000,000	9.00	VR000x	106.00000	136,364	511	145,057
Bank F	-	2,000,000	9.05	VR000x	106.00000	-	-	-

Notes

Determination of RR-SUN auction winner

Quantity to be taken : Rp2 trillion

Highest RR-Rate accepted : 9.00%

Auction winner : Bids of Bank with RR-Rate < 9.00% to be calculated in full
Bids of Bank with RR-Rate = 9.00% to be calculated proportionally

- 1) Since the bids of Bank C, D, and E are same (RR-Rate 9.00%), the quantity won by Bank C, D, and E shall be calculated on proportional basis with a smaller rounding of Rp1 million.

Example of calculation for Bank C :

$$= \frac{\text{Bidding Quantity C}}{\text{Total Bids C, D, E}} \times \text{nominal remainder} = \frac{\text{Rp600,000 million}}{\text{Rp1,100,000 million}} \times \text{Rp750 million} = \text{Rp409,091 million}$$

- 2) Nominal Value is the SUN face value which will be credited to Securities Account of Bank.
- 3) First leg fund settlement is the value of SUN buying by reverse repo which will be debited from demand deposit account of Bank.

Table 3. If there is coupon payment within RR-SUN transaction tenor

Assumption :

- RR-SUN transaction tenor of FR000x series as referred to in Table 2 is from January 1 up to 29 (28 days); and
- On January 20 (within the reverse repo period) there is a coupon payment for 2,000,000 units of FR000x series which are under transaction amounting to Rp15 billion. The coupon value shall be calculated for each Bank winning auction proportionally by quantity of SUN won.

The RR-Rate coupon and value to be accepted by Bank winning auction shall be calculated as follows.

(in millions of rupiah)

Bank	RR-SUN Face Value	Proportional charge on coupon ¹⁾		Calculation of RR-SUN Fund Value		RR-Rate (%)	Calculation of RR-Rate Value ³⁾		
		%	Rp	Before coupon (Jan 1-20)	After coupon ²⁾ (Jan 20-29)		Before coupon (Jan 1-20)	After coupon ²⁾ (Jan 20-29)	Total
(1)	(2)	(3)	(4)	(5)	(6) = (5)-(4)	(7)	(8)	(9)	(10)
Bank A	500,000	25.00	3,750	531,875	528,125	8.97	2,518	1,184	3,702

Bank B ...

Appendix to Bank Indonesia Circular Letter No. 10/37/DPM dated November 13, 2008

Bank B	750,000	37.50	5,625	797,813	792,188	8.97	3,781	1,778	5,560
Bank C	409,091	20.45	3,068	435,170	432,102	9.00	2,067	972	3,039
Bank D	204,545	10.23	1,534	217,585	216,051	9.00	1,034	486	1,520
Bank E	136,364	6.82	1,023	145,057	144,034	9.00	689	324	1,013
Bank F	-	-	-	-	-	-	-	-	-

Notes

- 1) Coupon value of all FR000x units (2 trillion) amounts to Rp15 billion, calculated on proportional basis (column 3 and column 4) for each Bank winning auction by quantity of SUN won by Bank (column 2).

Example for Bank A :

$$= \frac{\text{Nominal Value of SUN won by Bank A (Rp500,000 million)}}{\text{Nominal Value of SUN of FR000x series under transaction (Rp2 trillion)}} \times 100\% = 25.00\%$$

25% × Rp15,000 million = Rp3,750 million.

- 2) RR-SUN fund value is the Bank placement in Bank Indonesia which shall be made as the basis of calculation of RR-Rate value (before and after coupon payment).
- 3) RR-Rate value shall be calculated by the following formula.

$$\text{RR - Rate Value} = (\text{RR - SUN Fund Value} \times \text{RR - Rate}) \times \frac{\text{RR - SUN Maturity}}{360}$$

The calculation of RR-Rate value accepted by Bank is divided into two as follows.

- Period of January 1-20 (19 days), based on RR-SUN fund value before taking into account of coupon (first leg fund settlement value).
- Period of January 20-29 (9 days), based on RR-SUN fund value after taking into account of coupon.

Table 4. Settlement of mature RR-SUN (second leg)

The final calculation of fund and Securities settlement of mature RR-SUN transaction is as follows.

(in millions of rupiah)

Bank	Securities Settlement Value (second leg) ¹⁾	Series of SUN won	First Leg Fund Settlement after deducted by coupon	Total RR-Rate Value	Second Leg Fund Settlement ²⁾
(1)	(2)	(3)	(4)	(5)	(6) = (4)+(5)
Bank A	500,000	VR 000x	528,125	3,702	531,827
Bank B	750,000	VR 000x	792,188	5,560	797,747
Bank C	409,091	VR 000x	432,102	3,039	435,142
Bank D	204,545	VR 000x	216,051	1,520	217,571
Bank E	136,364	VR 000x	144,034	1,013	145,047
Bank F	-	-	-	-	-

Notes ...

Notes

- 1) Securities settlement value is the Securities face value to be provided by Bank for RR-SUN second leg transaction by its series as in column (3).
- 2) Second leg fund settlement is the RR-SUN sell back value which will be credited to Bank in redemption of mature RR-SUN transaction.

Example 2. VRT - General Reverse Repo**Transaction Plan**

Indicative Target : Rp2 trillion

Auction Method : Variable Rate Tender

Type of Underlying Assets : SUN in the form of ON itemized as follows.

(in millions of rupiah)

No	Series	Face Value	Price	Accrued Interest
1.	FR000x	1,000,000	111.00000%	5,500
2.	FR000y	500,000	103.00000%	2,750
3.	VR000z	750,000	102.00000%	4,100

Haircut : 5%

Tenor : 28 days

Window time : 9.00 - 10.00 a.m. (western Indonesia standard time)

Settlement : T+1

Table 1 - Illustration of RR-SUN bidding and auction winner

(in millions of rupiah)

Bank	Bidding Quantity	Accumulated Bids	RR-Rate (%)	Haircut (%)	Total Quantity won
(1)	(2)	(3)	(4)	(5)	(6)
Bank A	500,000	500,000	8.97	5	500,000
Bank B	750,000	1,250,000	8.98	5	750,000
Bank C ¹⁾	600,000	1,850,000	9.00	5	600,000
Bank D	300,000	2,150,000	9.00	5	150,000
Bank E	200,000	2,350,000	9.00	5	-
Bank F	500,000	2,850,000	9.05	5	-

Notes

Quantity to be taken : Rp2 trillion of total incoming bids (Rp2.85 trillion)

Highest RR-Rate accepted : 9.00%

Auction winner : Bank bidding with RR-Rate < 9.00% to be calculated in full

Bank

Bank bidding with RR-Rate = 9.00% to be determined by Bank Indonesia based, among other things, on the order of time of bidding by Bank.

Notes

- 1) Since the quantity to be taken amounts to Rp2 trillion, where Bank A, B, and C have won Rp1,850 billion, Bank D shall win the remainder, namely Rp150 billion.

Determination of RR-SUN auction winner

Quantity to be taken : Rp2 trillion of total incoming bids (Rp2.85 trillion)

Table 2. Calculation of RR-SUN auction result quantity and settlement (first leg)

(in millions of rupiah)

Bank Winning Auction	Quantity won ¹⁾	Accumulation	RR- Rate (%)	Securities Settlement			Fund Settlement	
				Series	RR-SUN Price (%)	Nominal Value ²⁾	Accrued Interest	First Leg Fund Settlement ³⁾
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)={ (6)×(7) } + (8)
Bank A	500,000	500,000	8.97	FR000x	106.00000	500,000	13,875	543,875
Bank B	500,000	1,000,000	8.98	FR000x	106.00000	500,000	13,875	543,875
Bank B	250,000	1,250,000	8.98	FR000y	106.00000	250,000	6,244	251,244
Bank C	250,000	1,500,000	9.00	FR000y	98.00000	250,000	6,244	251,244
Bank C	350,000	1,850,000	9.00	VR000z	98.00000	350,000	-	339,500
Bank D	150,000	2,000,000	9.00	VR000z	97.00000	150,000	-	145,500
Bank E	-	-	-	-	-	-	-	-
Bank F	-	-	-	-	-	-	-	-

Notes

- 1) The winner shall be determined by Bank Indonesia based, among other things, on the order of time of bidding by Bank.

Example for Bank B :

RR-SUN of FR000x series are bid in a number of 1,000,000 units and have been won by Bank A of 500,000 units. Bank B wins RR-SUN auction of 750,000 units comprising 2 (two) series, namely FR000x series of 500,000 units FR000y series of 250,000 units.

- 2) Nominal value is the SUN face value which will be credited to Securities account of Bank.
- 3) First leg fund settlement is the value of SUN buying by reverse repo which will be debited from demand deposit account of Bank.

Table 3. ...

Table 3. If there is coupon payment within RR-SUN transaction tenor

Assumption :

- RR-SUN transaction tenor as referred to in Table 2 is from January 1 up to 29 (28 days).
- On January 20 (within the RR-SUN period) there is a coupon payment period for FR000x series and FR000y series. The coupon value shall be calculated for each Bank winning auction under proportional basis by quantity of SUN won.
- Coupon value of all SUN under reverse repo is Rp30,000 million of FR000x series and Rp13,500 million of FR000y, respectively. There is no coupon payment in the VR000z series.

The RR-Rate coupon and value to be accepted by Bank winning auction shall be calculated as follows.

(in millions of rupiah)

Bank Winning Auction	SUN Series	Quantity won	Coupon ¹⁾	First Leg Fund Settlement	First Leg Fund Settlement after deducted by coupon ²⁾	RR-Rate	Calculation of RR-Rate Value ³⁾		
							Before coupon (Jan 1-20)	After coupon (Jan 20-29)	Total
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Bank A	FR000x	500,000	15,000	543,875	528,875	8.97	2,575	1,186	3,761
Bank B	FR000x	500,000	15,000	543,875	528,875	8.98	2,578	1,187	3,765
Bank B	FR000y	250,000	6,750	251,244	244,494	8.98	1,191	549	1,740
Bank C	FR000y	250,000	6,750	251,244	244,494	9.00	1,193	550	1,744
Bank C	VR000z	350,000	-	339,500	339,500	9.00	1,613	764	2,377
Bank D	VR000z	150,000	-	145,500	145,500	9.00	691	327	,019
Bank E	-	-	-	-	-	-	-	-	-
Bank F	-	-	-	-	-	-	-	-	-

Notes

- 1) Coupon of SUN of FR000x series amounting to Rp30 billion shall be calculated by SUN series and quantity won by Bank (column 3).
- 2) Since first leg fund settlement value is Bank placement in Bank Indonesia, coupon payment which is calculated on proportional basis (column 4) will reduce fund settlement value in redemption of mature RR-SUN transaction (second leg).
- 3) RR-Rate value shall be calculated with the following formula.

$$\text{RR - Rate Value} = (\text{Fund Settlement Value} \times \text{RR - Rate}) \times \frac{\text{RR - SUN Maturity}}{360}$$

The calculation ...

The calculation of RR-Rate value accepted by Bank shall be divided into two as follows.

- Period of January 1-20 (19 days), based on RR-SUN fund value before taking account of coupon (first leg fund settlement value).
- Period of January 20-29 (9 days), based on RR-SUN fund value after taking account of coupon.

Table 4. Settlement of mature RR-SUN

The fund and Securities settlement of mature RR-SUN transaction shall be calculated as follows.

(in millions of rupiah)

Bank	Securities Settlement Fund (second leg) ¹⁾	Series of SUN won	First Leg Fund Settlement deducted by Coupon	Total RR-Rate Value ²⁾	Second Leg Fund Settlement ³⁾
(1)	(2)	(3)	(4)	(5)	(6) = (4)+(5)
Bank A	500,000	FR000x	528,875	3,761	532,636
Bank B	500,000	FR000x	528,875	3,765	532,640
Bank B	250,000	FR000y	244,494	1,740	246,233
Bank C	250,000	FR000y	244,494	1,744	246,237
Bank C	350,000	VR 000z	339,500	2,377	341,877
Bank D	150,000	VR 000z	145,500	1,019	146,519
Bank E	-	-	-	-	-
Bank F	-	-	-	-	-

Notes

- 1) Securities Settlement Value is the Securities face value which has to be provided by Bank for RR-SUN second leg transaction by its series as column (3).
- 2) Total RR-Rate value has to be paid by Bank Indonesia. The example of interest accepted by Bank B amounts to Rp3,765 million + Rp1,740 million = Rp5,505 million.
- 3) Second leg fund settlement is the RR-SUN sell back value which shall be credited to Bank in redemption of mature RR-SUN transaction. The example of Bank B, the fund which will be credited to demand deposit account of Bank amounts to Rp532,640 million + Rp246,233 million = Rp778,873 million.

Appendix 4**Example of Imposition of Sanction on Cancellation of Transactions
in Open Market Operations****Case 1**

There were OMO transaction cancellations for 6 (six) times in a period of 6 months, namely 1 of RR-SUN transaction, 1 of 1 month SBI auction transaction, 1 of 1 day tenor FASBI transaction, 1 of SUN selling transaction by Bank Indonesia in secondary market, 1 of 1 day tenor FTK transaction, and 1 of 1 day tenor Repo transaction.

Date of Transaction Cancellation	July 15, 2008	September 18, 2008	December 11, 2008
Cancelled Transaction	RR-SUN transaction	1 month SBI auction	1) 1 day tenor FASBI 2) SUN selling by Bank Indonesia in secondary market 3) 1 day tenor FTK 4) 1 day tenor Repo
Number of Cancellations	1	1	4
Accumulated Cancellations	1	2	6 ¹⁾
Date of Sanction Imposition	July 16, 2008	September 19, 2008	December 12, 2008
Sanctions	a. Written Warning; and b. Financial penalty of 1‰ (one per one thousand) of nominal value of cancelled transaction.	a. Written Warning; and b. Financial penalty of 1‰ (one per one thousand) of nominal value of cancelled transaction.	a. Written Warning; b. Financial penalty of 1‰ (one per one thousand) of nominal value of cancelled transaction; and c. Suspension for 5 (five) consecutive business days, namely December 12, 15, 16, 17, and 18, 2008.

¹⁾ The accumulated cancellations of OMO transactions were 6 (six) times since July 15, 2008. Following 6 (six) month period will be counted since the occurrence of a new cancellation.

Case 2 ...

Appendix to Bank Indonesia Circular Letter No. 10/37/DPM dated November 13, 2008

Case 2

There were OMO transaction cancellations for 5 (five) times in a period of 6 months, namely 1 of RR-SUN transaction, 1 of 1 day tenor FASBI transaction, 1 of SUN selling transaction by BI in secondary market, 1 of 1 day tenor FTK transaction, and 1 of 1 day tenor Repo transaction.

Furthermore, there were OMO transaction cancellations for 3 (three) times in a period of 6 months, namely 1 of 1 day tenor FASBI transaction and 2 of SBI auction transaction (1 month SBI auction and 3 month SBI auction).

Date of Transaction Cancellation	July 15, 2008	August 11, 2008	December 11, 2008	December 18, 2008
Cancelled Transaction	RR-SUN transaction	1) 1 day tenor FASBI 2) SUN selling by Bank Indonesia in secondary market 3) 1 day tenor FTK 4) 1 day tenor Repo	1 day tenor FASBI	1) 1 month SBI auction 2) 3 month SBI auction
Number of Cancellations	1	4	1	2
Accumulated Cancellations	1	5 ²⁾	1	3 ³⁾
Date of Sanction Imposition	July 16, 2008	August 12, 2008	December 12, 2008	December 19, 2008
Sanctions	a. Written Warning; and b. Financial penalty of 1‰ (one per one thousand) of nominal value of cancelled transaction.	a. Written Warning; b. Financial penalty of 1‰ (one per one thousand) of nominal value of cancelled transaction; and c. Suspension for 5 (five) consecutive business days, namely December 12, 13, 14, 15, and 19, 2008.	a. Written Warning; and b. Financial penalty of 1‰ (one per one thousand) of nominal value of cancelled transaction.	a. Written Warning; b. Financial penalty of 1‰ (one per one thousand) of nominal value of cancelled transaction; and c. Suspension for 5 (five) consecutive business days, namely December 19, 22, 23, 24, and 26, 2008.

²⁾ The accumulated cancellations of OMO transactions were 5 (five) times since July 15, 2008.

³⁾ The accumulated cancellations of OMO transactions were 3 (three) times since December 11, 2008.

Following 6 (six) month period will be counted since the occurrence of a new cancellation.

Case 3 ...

Case 3

On July 15, 2008, there was RR-SUN transaction cancellation for 1 time and on August 11, 2008, there was 1 cancellation of 1 day tenor FASBI transaction. This brought about an accumulation of cancellations of 2 times since July 15, 2008 (still in a period of 6 months).

On January 26, 2009, there was 1 cancellation of 1 day tenor FASBI transaction. The accumulated cancellations shall not be counted since the cancellation of July 15, 2008, because it has been beyond a period of 6 months but since the cancellation of August 11, 2008. This brought about an accumulation of cancellations of 2 times.

Furthermore, on February 5, a cancellation of 1 month SBI in OMO auction transaction occurred. This brought about an accumulation of cancellations of 3 times since the cancellation of August 11, 2008 (still in a period of 6 months).

Date of Transaction Cancellation	July 15, 2008	August 11, 2008	January 26, 2009	February 5, 2009
Cancelled Transaction	RR-SUN transaction	1 day tenor FASBI	1 day tenor FASBI	1 month SBI auction
Number of Cancellations	1	1	1	1
Accumulated Cancellations	1	2	2 ⁴⁾	3 ⁵⁾
Date of Sanction Imposition	July 16, 2008	August 12, 2008	January 27, 2009	February 6, 2009
Sanctions	a. Written Warning; and b. Financial penalty of 1‰ (one per one thousand) of nominal value of cancelled transaction.	a. Written Warning; and b. Financial penalty of 1‰ (one per one thousand) of nominal value of cancelled transaction.	a. Written Warning; and b. Financial penalty of 1‰ (one per one thousand) of nominal value of cancelled transaction.	a. Written Warning; and b. Financial penalty of 1‰ (one per one thousand) of nominal value of cancelled transaction; and c. Suspension for 5 (five) consecutive business days, namely February 6, 9, 10, 11, and 12, 2009.

⁴⁾ The accumulated cancellations of OMO transactions were 2 (two) times since August 11, 2008. The cancellation of January 26, 2009 occurred outside the period of 6 months since the cancellation of July 15, 2008, but still in a period of 6 months since the cancellation of August 11, 2008.

⁵⁾ The accumulated ...

Appendix to Bank Indonesia Circular Letter No. 10/37/DPM dated November 13, 2008

⁵⁾ The accumulated cancellations of OMO transactions were 3 (three) times since August 11, 2008. The cancellation of February 5, 2009 occurred outside the period of 6 months since the cancellation of July 15, 2008, but still in a period of 6 months since the cancellation of August 11, 2008.

Following 6 (six) month period will be counted since the occurrence of a new cancellation.